



How Can Work Incentives Help You Receive Supplemental Security Income (SSI) and Medicaid While Working?

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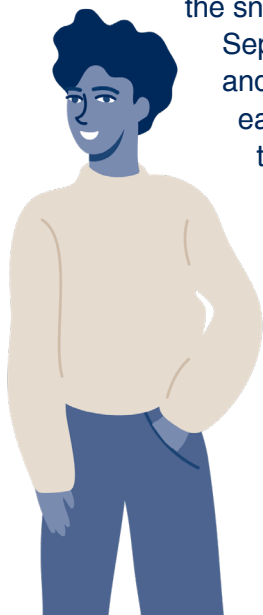
- Some work incentives allow us to exclude a portion of your income or resources when we determine your eligibility for SSI.
- Other work incentives let you continue to receive Medicaid coverage after you stop receiving SSI.

You may take advantage of more than 1 work incentive. The amount of income we may not count and the amount of your SSI will change with the types and amounts of your other income each month. It is important for you to tell us when your income changes, and for you to know the amount of your income we can set aside.

Work Incentive Examples

Student Earned Income Exclusion (SEIE)

Chayton is a student who earned \$1,830 a month in June, July, and August of 2023 while working at the snack counter at his local pool. In September, he returned to school and continued working part-time. He earned \$900 a month in September through December 2023. In 2023, the maximum monthly amount of SEIE was \$2,220 and the yearly limit was \$8,950. Using the SEIE, we can exclude all of Chayton's monthly earnings in June, July, and August. We can also exclude his \$900 in earnings in September and October ($\$900 \times 2 = \$1,800$). Through October, Chayton used \$7,290 of his \$8,950 yearly limit.



Impairment Related Work Expenses (IRWE)

Asia receives SSI benefits and is self-employed. She uses a motorized wheelchair and a special transportation service. Since she is self-employed, her earnings vary each month. In a typical month, she earns \$1,025 selling her photography in a local Art Co-Op. The money from her employment is the only income she receives.

In 2023, her monthly work expenses were:

- \$250 a month for Art Co-Op dues and insurance.
- \$100 a month in printing costs.
- \$250 a month for a special transportation service that she needs to get to and from the Art Co-Op due to her disability.

Asia has work expenses of \$600 a month. However, only the \$250 of her earnings she uses to pay for the special transportation service relates to her impairment. We do not count her costs for the special transportation in determining the amount of her SSI benefit as follows:

$$\begin{aligned} \$1,025 - \$20 \text{ (general exclusion)} &= \$1,005 \\ \$1,005 - \$65 \text{ (earned income exclusion)} &= \$940 \\ \$940 - \$250 & \\ \text{(impairment-related work expense)} &= \$690 \\ \$690 / 2 &= \$345 \\ \$345 &= \text{countable earnings} \end{aligned}$$

Note: The cost of public transportation is not typically an IRWE. Also, be mindful that the earnings of people who are self-employed vary monthly. It is important to report the money you earn from wages or self-employment. We will work with you to apply the special earning rules for self-employment.

Plan To Achieve Self-Support (PASS)

Roberto has cerebral palsy and receives SSI. At 17, he starts working on the weekends and during the summer months as an assistant to a writer for an online tech magazine. He wants to enroll in the local community college and take some journalism classes when he graduates from high school in June.



Roberto has a case manager, who is on his Individualized Education Plan (IEP) team. This case manager told him he could apply for a PASS to help him set money aside for his education. She connects him with a benefits counselor at the local Work Incentives, Planning, and Assistance. His benefits counselor helps him write the PASS and submit the plan to the local Social Security PASS Specialist. The plan must be approved by Social Security.

Roberto's work goal is to become a journalist for a tech magazine. Through his PASS, he will set aside \$50 each paycheck from now until next fall. That money will pay for 2 journalism classes at the community college in his first semester. By getting his associates degree, he can apply for full time journalist vacancies in the online tech magazine industry and earn more money. It is unlikely that this plan will be approved without additional information about how he intends to fund the rest of his education.

We will not count the money Roberto sets aside each month for his PASS as income when determining his SSI payment. We will also exclude the money in his PASS savings account from his resource limit. He will need to track his savings for his PASS in a separate bank account and keep his payment receipts for his

classes. We will ask to see proof of his deposits into his PASS savings account and his receipts for the classes. For more information about work incentives, visit our website at www.ssa.gov/disabilityresearch/workincentives.htm and www.ssa.gov/redbook.

Youth Toolkit 2023

You can find additional information and resources to make a successful transition to adulthood at www.ssa.gov/youth/



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Publication No. 64-120 | January 2023 (Recycle prior editions)
How Can Work Incentives Help You Receive Supplemental Security Income (SSI) and Medicaid While Working?
Produced and published at U.S. taxpayer expense